# Social Media Marketing And Brand Equity Against Coffee Purchase Intentions

**Yundi Permadi Hakim[1], Muh. Alvianto Putra Arizandi Sadarrudin[2], Burhanuddin[3]**
Sekolah Tinggi Ilmu Ekonomi Samarinda[123]
Email Address : permadihakim21@gmail.com

***Abstract.***
*This study investigates the impact of Social Media Marketing and Brand Image on purchasing intentions for DELKOFF Brand coffee products. A survey research model is employed to collect data. The findings indicate that Social Media Marketing and Brand Equity have a significant influence on purchasing intentions. Moreover, it is found that social media-based marketing activities through online marketplaces are particularly effective during the pandemic. Both Social Media Marketing and Brand Equity contribute to increased sales. Management should emphasize marketing efforts via social media platforms to enhance product sales. This study solely examines two variables: Social Media Marketing and brand equity.*

***Keywords****: Social Media Marketing, Brand Equity, Purchase Intention*

*Abstrak.*
*Penelitian ini menyelidiki dampak Pemasaran Media Sosial dan Citra Merek terhadap niat pembelian produk kopi Merek DELKOFF. Model penelitian survei digunakan untuk mengumpulkan data. Temuannya menunjukkan bahwa Pemasaran Media Sosial dan Ekuitas Merek mempunyai pengaruh yang signifikan terhadap niat pembelian. Selain itu, aktivitas pemasaran berbasis media sosial melalui pasar online terbukti sangat efektif selama pandemi. Baik Pemasaran Media Sosial dan Ekuitas Merek berkontribusi terhadap peningkatan penjualan. Manajemen harus menekankan upaya pemasaran melalui platform media sosial untuk meningkatkan penjualan produk. Penelitian ini hanya menguji dua variabel yaitu Social Media Marketing dan brand equity.*

***Kata Kunci:*** *Pemasaran Media Sosial, Ekuitas Merek, Niat Beli*

## 1. INTRODUCTION

Social media marketing has become commonplace in the normal new era as one of the marketing processes. Especially at the time of the COVID-19 pandemic, social media marketing plays an important role in marketing. In the era of constant digital connectivity, social media marketing has become an essential component of modern advertising strategies. With the rise of the COVID-19 pandemic, its significance in marketing efforts has only intensified. Many businesses, including coffee shops in Indonesia, have recognized the value of social media marketing in reaching their target audience (Hooda & Hooda, 2018).

During the pandemic, many Micro, Small, and Medium Enterprises faced economic hardships, and some even went bankrupt. However, a few MSMEs were able to overcome these challenges by adapting their business and marketing strategies. This shift in behavior marked the revival of MSMEs after the pandemic (Aiolfi, 2023).

Traditionally, MSMEs would primarily rely on offline marketing activities to promote their products or services. However, with the limitations imposed by COVID-19 and social distancing measures in place, they had to explore new avenues for reaching customers. Online

sales channels emerged as a viable solution during this time of crisis (Aryaningrum et al., 2022).

The implementation of online marketing allowed MSME entrepreneurs to continue selling their products while adhering to necessary safety precautions like social distancing. By optimizing online marketing efforts during the pandemic period, MSMEs were able to find solutions that positively impacted various sectors of the economy. Additionally, utilizing digital platforms such as social media proved highly beneficial for MSMEs due to its low cost and minimal technical requirements compared to traditional methods. Social media not only helped increase visibility but also enabled them to expand market share and gather valuable insights for making informed business decisions (Rahman et al., 2023). To survive through these challenging times, collaboration with platforms/markets/marketplaces, along with leveraging social media, became crucial for many businesses in terms of (Nazir et al., 2023).

During the pandemic, there was a significant decrease in MSMEs' revenue due to reduced consumer purchasing power. This shift in consumer behavior has also led to changes in MSMEs' marketing strategies (Sudarmiatin, 2022). Business operators are changing their marketing behaviors in response to the need for promotion and marketing initiatives (Mikalef et al., 2023). One noticeable strategy resulting from this change is the shift in promoting goods and services from traditional channels to social media platforms. Utilizing social media for marketing purposes can significantly increase the sales revenue of small businesses (Kajwang, 2022).

Consumer buying intention is often driven by impulsive decision-making during the product selection process. Consumer purchases are increasingly influenced by brand image, as well as the desire, experience, consumption, or use of the product. In today's competitive market, companies must maintain creativity in their marketing strategies to effectively promote their products compared to competitors (Hurriyati, 2021). MSMEs play a crucial role in supporting Indonesia's macro economy and have experienced significant growth, with 97.2% workforce absorption among working-age individuals in Indonesia (Srimulyani & Hermanto, 2021). To effectively promote their products and stand out from competitors, companies are turning to social media marketing strategies. Social media platforms have become powerful tools for reaching a wide audience and influencing consumer buying decisions (Fellysia & Simamora, 2023).

For MSMEs in Indonesia, utilizing social media marketing can be particularly beneficial. MSMEs have played a crucial role in supporting Indonesia's macro economy and have experienced significant growth in recent years. By leveraging social media platforms,

MSMEs can reach a larger customer base and increase their visibility in the market. One of the key advantages of social media marketing is its ability to create (Nur et al., 2022)

Research revealed that the era of social media using the Marketplace is one of the keys to MSME's success in facing a pandemic (Rozikin et al., 2019). This research highlights the impact of social media on business and marketing strategies, particularly for MSMEs. It emphasizes the need for changes in marketing strategies to fully leverage the potential of social media platforms. The research also emphasizes the importance of strengthening brand equity for MSMEs, even if there are changes in sales strategies. By increasing awareness, it is expected that purchasing intensity will also increase.

## 2. LITERATURE REVIEW

### 2.1. Sosial Media Marketing

The crucial role of social media marketing in the marketing industry is in its ability to foster interactions and relationships among organizations, companies, or individuals (Wibowo et al., 2020). state that the purpose of employing social media platforms is the facilitation of user interactions and connections, as well as the dissemination of content generated by various entities such as organizations, companies, or individuals. When it comes to social media marketing, various sources provide valuable insights and strategies. These sources emphasize the importance of utilizing social media to enhance brand awareness, engage customers, and ultimately drive business performance.

One key aspect highlighted by these sources is the low cost associated with social media marketing compared to traditional communication channels. This presents a significant advantage for small and medium-sized businesses, as they can effectively compete with major international corporations in terms of brand awareness and productivity (Ajjan et al., 2014)

Furthermore, incorporating social media into business activities allows for greater customer participation and interactivity. This not only improves overall business performance but also enables marketers to promote products or services (Lian & Yoong, 2018)

### 2.2. Brand Equity

According to the findings of (Aji et al. 2020), brand equity encompasses a range of brand-related assets and liabilities, including the brand itself, its name, and associated symbols. These elements contribute to the overall value that a product or service offers to both the firm and its customers, either by enhancing or diminishing it. Even in the absence of market

dominance, products that possess robust brand equity can nonetheless maintain competitiveness. This phenomenon occurs due to the market dominance of products, as evidenced by multiple research. According to the findings (Leonanda & Purnama, 2020), a positive correlation exists between the strength of brand equity and the level of attractiveness it has for consumers regarding product usage. In conclusion, this marketing strategy has the potential to incentivize consumers to acquire the items, resulting in financial gains for the organization.

## 2.3. Purchase Intentions

According to (Kotler and Keller, 2016), Purchase intention (consumer's purchase intention) is a theory regarding the purchase decision processes carried out by a person, group of people, or group of organizations. In essence, the concept of buy intention pertains to the inclination of customers to exhibit interest and engage in activities associated with acquiring things, including various stages and degrees of likelihood in relation to their capacity to make purchases. Consumers who possess the intention to make purchases demonstrate interest and enjoyment towards the product, thus leading to the execution of purchasing activities through their buying behavior.

## 3. RESEARCH PROBLEM STATEMENT

The problem faced by MSMEs is a decline in sales, especially during pandemic times. Besides, this decline is also the result of a change in purchasing behavior from offline to online. This research aims to determine the strategy to increase the intensity of sales of MSME products, particularly DELKOFF Brand coffee products. MSME DELKOFF Brand coffee products is one of the MSME that suffered the impact of the pandemic. Some strategic models have been implemented by this MSME. This research provides a model for changing strategy patterns from conventional to social media. One of the changes made is to use social media channels. The consideration of using social media channels is the wider reach of social media when compared to the offline model.

## 4. RESEARCH PURPOSE

This research aims to reveal to what extent social media marketing and brand equity can help increase the intensity of purchasing coffee products. The urgency of this research activity is basically a reaction to the condition of MSME during the pandemic, which has experienced a decline in sales. While MSME is one of the supporters of the economic wheel

on a microscale, This study is also important when looking at the conditions of changing consumer behavior in the purchase of goods/services. It needs to be done for the survival of their MSME business. MSME DELKOFF Brand coffee products are one of the small business perpetrators affected. On the other hand, MSME is one of the MSMEs that implements social media marketing in its marketing. So, this research is becoming more and more urgent to know and find proof that the social media marketing strategy run by MSME is already targeted. This research will be very useful for MSMEs to find out to what extent social media marketing by MSMEs and brand equity built through social media marketing can drive the intensity of the purchase of coffee products.

Social media marketing can be interpreted as an attempt to sell products through social media. This research uses a survey research model. The study conducted states that survey research is aimed at obtaining personal opinions. The activity in this research model is to gather information. This information collection is done with the help of a questionnaire. The list of questions for respondents in this study is used to obtain primary data from a total of 90 respondents who consume DELKOFF Brand coffee products in Balikpapan, Indonesia. Indicators used in social media marketing variables are online sales, online site traffic, comparison of site trafficking with old models, source of traffic, long-term traffic, and bounce rates. (product Equity). This model of research is usually aimed at obtaining the source facts of the occurring symptoms. This process will produce more accurate information without further investigation of the phenomenon.

Social media marketing is used as the X1 variable, while brand equity is the X2 variable. Both variables are free variables. Meanwhile, purchase intentions in this study represent the Y variable as a bound variable. The measurement of this study uses linear regression with the x1 and x2 variables as free and the y as bound. The population in this study is an individual or customer who has ever consumed DELKOFF Brand coffee products. The characteristics of the respondents used were 43% male, and the other 57% were female. On the age side, the respondents were adolescents aged 15 years up to a maximum adult age of 30. The specifications on the side of the age range are due to the proportion of Sura's passes being in that age range. Non-probability sampling will give equal opportunities to all target populations. The consideration is whether the population is too large to be taken as a sample of all. More specifically, the sampling technique in this study uses purposive samplings. The target respondents were those who had consumed DELKOFF Brand coffee products between two and three months before the study period. This research uses data collected through a questionnaire. A question list in the form of a questionnaire is a list of questions written and

used for data collection purposes. Based on the theoretical study above, the basic assumption is that purchasing intensity is influenced by social media marketing (X1) and brand equity. (X2) The conceptual framework of this research can be elaborated on in the following beginnings:
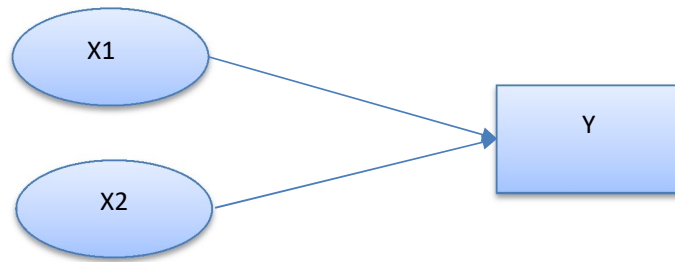


Picture 1 Conceptual Framework Picture

Description:

Y  = Purchase Intensity

X1 = Social Media Marketing

X2 = Brand Equity

The research hypothesis is as follows:

H1: Social Media Marketing Influences DELKOFF Brand coffee products

    Purchasing Intention

H2: Brand Equity influences DELKOFF Brand coffee products Purchase Intention

## 5. RESULT AND DISCUSSION

The study aims to display the findings based on the data of 90 (one hundred) respondents. Based on the respondents who have collected the data in this research, a respondent who has consumed the product at least twice during the study period The findings of this study are closely linked to changes in consumer behavior during pandemic times. This study reveals that social media marketing (X1) and brand equity (X2) have a significant influence on purchase Intentions. (Y). This is seen from the regression table below:

Table 1. Koefisien Regresi Result

| Independent Variable | Regression Coefficient (β) | t-count | Sig. | Conclusion |
|---|---|---|---|---|
| *Social Media Marketing* | ,551 | 8,516 | ,000 | **Significant** |
| *Brand Equity* | ,025 | 4,319 | ,008 | **Significant** |
| **Constant** | 129.828 | | | |
| $R^2$ | 0.444 | | | |
| *Adjusted R2* | 0.433 | | | |
| **Sig.** | **0.000** | | | |

Source: SPSS 12

Table 1 above shows a constant value of 129,828, so it can be translated as follows: if the independent variables (Social Media Marketing and Brand Equity) are 0 (Zero), then the intensity of the decision is 129,828.

The value of the variable coefficient X1 (Social Media Marketing) in the table above is 0.551. This indicates that any change that occurs on the variable (X1) as large as one unit will affect the change in Purchase Intention (Y) by 0.551. The opposite is true, assuming that the other variable values do not change or remain the same. On the other hand, the value of the X2 (Brand Equity) coefficient in the table above is 0.025. In other words, any change in the Brand Equity (X2) variable will result in a change in Purchase Intention (Y) of 0.025.

The partial test in this study uses a t-count test that aims to find out whether the free variable (X) affects the bound variable on its own (Y). The inference base used the respective t-count values with a significance rate of 5%. Table 1 above shows the significance values of each variable (Social Media Marketing and Brand Equity) below 5%. Both (X1 and X2) can be concluded to have a partial influence on the bonded variables(Y).

Table 2 F Test Results

| Model | Sum of Squares | DF | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| **Regression** | 26905,525 | 2 | 13452,763 | 38,726 | **0,000b** |

| Residual | 33696,434 | 97 | 347,386 | | |
|---|---|---|---|---|---|
| **Total** | **60601,960** | **99** | | | |

Source: SPSS 12

The basic assumption used in this test is that if the value of the test does not exceed 5%, then H0 is rejected. The variation or diversity of the dependent variables in this study is explained using the determinant coefficient R2. The R2 value in this research is also a generalization of this study to the object being studied. So, if the R2 value resulting from this study is too small, the independent variable used in this study has limitations in describing the dependent variable. In other words, too-small R2 values indicate that the influence of independent variables on dependent variables is also small. However, if the percentage value of R2 is large or even close to the value of 1, it can be concluded that the regression model used does have the variables used in the study. Table 1 of the regression coefficient above shows an R2 value of 0.444; in other words, the independent variable in this study can explain the variability of the dependent variable by as much as 44%. Meanwhile, other variables not included in the study are 56%. So, this study also provides an opportunity to conduct advanced research using other variable variations that have not been studied in this research.

a.  The Influence of Social Media Marketing and Brand Equity Variables on Simultaneous Purchase Intentions

One of the focuses of attention in this research is testing the independent variables represented by social media marketing and brand image (brand equity) on purchasing intentions. Research (Premordia & Gál, 2021) reveals that social media marketing is one of the main tools for carrying out marketing strategies in the millennial era. Several other studies also show the same symptoms, where brand equity is one of the drivers of increased purchasing intentions (Shah et al., 2016). Brand image that sticks in the minds of coffee customers

DELKOFF Brand coffee products are able to maintain the brand's impression on consumers. Consumers will always remember brands that are familiar, or at least have had a good experience with that brand. A brand image must be built and instilled in customers to maintain and preserve loyalty. Customer loyalty is measured by frequency or purchase intention. The higher the frequency of consumers making purchases, the more brand equity built with experiential marketing can be said to be successful. This finding is in line with research (Erdem & Swait, 2016).

b. The Influence of Social Media Marketing Variables and Brand Equity on Partial Purchase Intentions

Apart from measuring the simultaneous influence, this research also partially measures the influence of the independent variable on the dependent variable. Based on Table 1, the regression coefficient above shows that the social media marketing variable (X1) has the most dominant influence compared to brand equity (X2). The β coefficient value for social media marketing is 0.551, which means that this variable has the greatest influence on purchase intentions. Meanwhile, the brand equity variable only contributes 0.025, or only 2.5%. This research is not in line with (Hariandja et al., 2021) who stated that brand equity have much influence on purchase intentions. However, the brand image must be built with massive sales; this is to grow brand awareness among customers. High product uptake, apart from proving the success of promotional and marketing work, is also in the context of building brand awareness and forming a brand image in the eyes of customers. DELKOFF Brand coffee products are in the process of building brand awareness, although the brand image does not have a significant influence on purchasing intentions.

## 6. CONCLUSION

This research aims to measure the influence of social media marketing and brand equity on purchasing intentions for DELKOFF Brand coffee products. The results of research using the F test show the influence of both variables simultaneously. This is indicated by a significance value of 0.000 < 0.05 and an R2 value of 0.444. The t-test results show that the variables of social media marketing and brand equity have an influence on purchasing intentions. Meanwhile, of these two variables, social media marketing (X1) has the most dominant influence. This is indicated by the β coefficient value of 0.551 for the social media marketing variable (X1) and 0.025 for the brand equity variable (X2).

This research also proves that social media-based marketing activities through Marketplace and social media were very effective during the pandemic. In other words, to increase product sales intentions, management must increase social media marketing.

This research also provides recommendations for further research on brand equity and purchase intention. Variables that can be further developed are related to brand heritage, brand extension, and corporate reputation as forming sales intentions. Apart from that, this research can also be used by MSMEs to increase sales intentions by increasing social media marketing activities.

## REFERENCES

Aiolfi, S. (2023). How shopping habits change with artificial intelligence: smart speakers' usage intention. International Journal of Retail & Distribution Management.

Aryaningrum, K., Kurniawan, A., Pitoyo, A. J., & Saputra, W. (2022, September). Disruptive innovation for online informal sector in Palembang City. In IOP Conference Series: Earth and Environmental Science (Vol. 1039, No. 1, p. 012069). IOP Publishing.

Erdem, T., & Swait, J. (2016). The information-economics perspective on brand equity. Foundations and Trends® in Marketing, 10(1), 1-59.

Fellysia, F., & Simamora, B. (2023, March). The Mediating Effect of Brand Image on the Influence of Electronic Word of Mouth Towards Purchase Intention for Somethinc Products (Case Study on Followers of the@ somethincofficial TikTok Account). In Journal of International Conference Proceedings (JICP) (Vol. 6, No. 1, pp. 60-71).

Hariandja, E. S., Adeline, A., Eric, F., & Christopher, Y. (2021). FAKTOR PENENTU BRAND EQUITY DAN PENGARUHNYA PADA PURCHASE INTENTION. Ultima Management: Jurnal Ilmu Manajemen, 13(1), 1-22.

Hooda, A., & Ankur, A. (2018). Acceptance of social media as a marketing tool: A quantitative study. Asian Journal of Business Environment, 8(3), 5-12.

Hurriyati, R. (2021, September). Analysis of Information Technology User Behavior Model by Creative Economy-Based Entrepreneurs. In 5th Global Conference on Business, Management and Entrepreneurship (GCBME 2020) (pp. 478-487). Atlantis Press.

Kajwang, B. (2022). Effects of digital marketing practices on performance of insurance sector: A critical approach with a review. International Journal of Business Ecosystem & Strategy (2687-2293), 4(4), 89-95.

Kotler., and Keller. 2016. Marketing Management. 15th Edition, PEARSON.

Mikalef, P., Islam, N., Parida, V., Singh, H., & Altwaijry, N. (2023). Artificial intelligence (AI) competencies for organizational performance: A B2B marketing capabilities perspective. Journal of Business Research, 164, 113998.

Nazir, S., Khadim, S., Asadullah, M. A., & Syed, N. (2023). Exploring the influence of artificial intelligence technology on consumer repurchase intention: The mediation and moderation approach. Technology in Society, 72, 102190.

Syamsu, N., Sofyan, S., Aisya, S., & MD, M. (2022). Integration of Using Fintech and Social Media for The Business Sustainability in Pesantren. EKONOMIKA SYARIAH: Journal of Economic Studies, 6(2), 167.

Premordia, I., & Gál, T. (2021). Dear Customer, Thank You for Your Review: The Service Failure-recovery Dyadic Interactions in the Restaurant Industry. International Review of Management and Marketing, 11(3), 49-57.

Rozikin, A. Z., Indartono, S., & Sugiharsono, S. (2019). The use social media and employee performance in MSMEs development: Glass noodle home industry Manjung Indonesia. Jurnal Economia, 15(2), 221-231.

Shah, S. M., Adeel, M., Hanif, F., & Khan, M. (2016). The Impact of Brand Equity on Purchase Intensions with Modertaing Role of Subjective Norms, 4 (1), 18–24.

Srimulyani, V. A., & Hermanto, Y. B. (2021). Impact of entrepreneurial self-efficacy and entrepreneurial motivation on micro and small business success for food and beverage sector in east Java, Indonesia. Economies, 10(1), 10.

Sudarmiatin, S. (2022). The analysis of survival strategies in small medium enterprises during Coronavirus pandemic. Journal of Business and Management Review, 3(2), 094-105.